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CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

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COUNTRY	Hungary	REPORT	
SUBJECT	1. Csepel Automobile Factory 2. Dismissal of Mrs. Ferenc Biró	DATE DISTR.	5 November 1954
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25X1

1. The production of trucks in the Wilhelm Pieck Works, Győr, and the Mávag Works, Budapest, has been discontinued and transferred to the Automobile Factory at Csepel.
2. Production at the Csepel factory includes frames for trucks and busses; all types of internal combustion and diesel engines for agricultural machinery and industrial use.
3. The Csepel Automobile Factory began operations at the end of 1949 after the reconstruction of the old buildings of the Danube Aviation Works. Subsequently, the core of the factory, the motor shop and the body shop (járműgyár), were enlarged. Gradually a machine-tool shop (zerszámgyár), a forging shop (kovácsműhely), a tempering shop (edzőüzem), and a foundry were added - of which the last is still in the course of construction.
4. At the end of 1953 the number of workers was about 8000. Many of those were, however, engaged in collecting parts from other factories, buying raw materials etc.
5. Early in 1954 the director of the factory Mrs. Ferenc Biró was replaced by Károly Mészáros and a reorganization of the works began. The change of directorship was not accompanied by any publicity since Mrs. Biró is a relative of Mátyás Rákosi.¹ Mészáros had worked in the factory since its foundation and had visited the USSR to study Soviet production methods. Under Mészáros' management the number of workers was reduced to 7,000 while the output was increased.
6. Testing of the new type "K-400" truck has been completed; it is to supersede the "D-350" truck. The "K-400" will have a capacity of 4.2 tons and will be equipped with air-pressure brakes. Production is not thought to begin before 1955.
1. Comment: Mrs. Ferenc Biró is reported to be either Rákosi's Russian born sister-in-law or the Russian wife of his nephew. Her husband, Ferenc Biró, as far as is known is still one of the deputy ministers in the Ministry of Metallurgy and Machine Industry.

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